

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF FLORIDA  
MIAMI DIVISION**

**CASE NO:**

ME4KIDZ, LLC,  
an Arizona Limited Liability Company,

Plaintiff,

vs.

ZOHAR MEDICAL HOLDING, LLC, a  
Florida Limited Liability Company,  
ICU PRODUCTIONS, INC, a California  
corporation and KAREN ZOHAR, an individual,

Defendants.

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**COMPLAINT**

Plaintiff, ME4KIDZ, LLC (“ME4KIDZ”), by and through its undersigned counsel, hereby sues Defendants, ZOHAR MEDICAL HOLDING LLC, ICU PRODUCTIONS, INC. and KAREN ZOHAR, collectively referred to as “Defendants”, and allege as follows:

**NATURE OF THE ACTION**

As this Court is well aware, the Covid epidemic has ravaged this country for nearly three years. An integral component to controlling the crisis was the “instant Covid test” manufactured by iHealth Lab Inc. This litigation involves a scheme by Zohar Med, ICU and Karen Zohar to trick Me4Kidz into expending nearly \$3 million for iHealth Tests, only to renege on their promises and cause severe financial and reputational loss to Me4Kidz, an award-winning company offering an array of kid friendly health and safety products. See [www.Me4Kidz.com](http://www.Me4Kidz.com).

**PARTIES, JURISDICTION AND VENUE**

1. Plaintiff, ME4KIDZ, LLC, (“Me4Kidz”) is a Limited Liability Company registered to do business in the state of Arizona, with its principal office located in Phoenix, Maricopa County, Arizona. All of its members are residents of Arizona, and none of its members are residents of the state of Florida. Me4Kidz offers a large array of kid-friendly healthcare solutions.

2. Defendant, Zohar Medical Holding, LLC, (“Zohar Med”) is a Florida Limited Liability Company registered to do business in the state of Florida, and whose principal office is located in Doral, Miami-Dade County, Florida. On information and belief, all of its members are residents of Florida, and none are residents of Arizona. Zohar Med is an industry leader in producing personal protective equipment, including masks, gloves, and sanitizer.

3. ICU Production Inc. (“ICU”), is a California corporation with its principal place of business at 1501 Rio Vista Ave., Los Angeles, California 90023. ICU has over a decade of experience providing healthcare workers, businesses, and federal and local governments with the highest-quality Personal Protective Equipment. Joseph Cohen is CEO of ICU.

4. Defendant, Karen Zohar (“Zohar”), is an adult resident and a citizen of Florida, residing in Miami, Florida, located in Dade-County. On various social media sites, Zohar holds herself out as Owner, President, CEO and Director of Zohar Med. However, Florida’s official business records do not identify her as affiliated with Zohar Med. According to Florida’s official business records the sole Director and Manager of Zohar Med is Galite Zohar. Zohar’s official title or role within ICU is unknown, but her Zohar Med email signature line identifies her as working for ICU; her signature line, reprinted below, also identifies ICU’s principal place of business on 1501 Rio Vista Ave in Los Angeles, California as “Warehouse”:

***Best Regards,  
Ms. Karen W. Zohar  
CEO***

***Zohar Medical Holding L.L.C.***

***8350 NW 52<sup>nd</sup> Ter., Suite 301 #315, Doral Florida 33166 Warehouse- 1501 Rio Vista Ave., LA, CA 90023 [karen@zoharmedical.com](mailto:karen@zoharmedical.com)***

***[Karen@icu-production.com](mailto:Karen@icu-production.com) (786) 861-6017***

5. This Court has personal jurisdiction over Zohar Med, ICU and Zohar because of systematic and continuous contacts with Florida, including Zohar Med's physical location in Miami, Florida.

6. This Court has original jurisdiction in this matter pursuant to 28 U.S.C. Section 1332(a)(1), as there is complete diversity between Plaintiff and Defendants and the amount in controversy exceeds \$75,000.

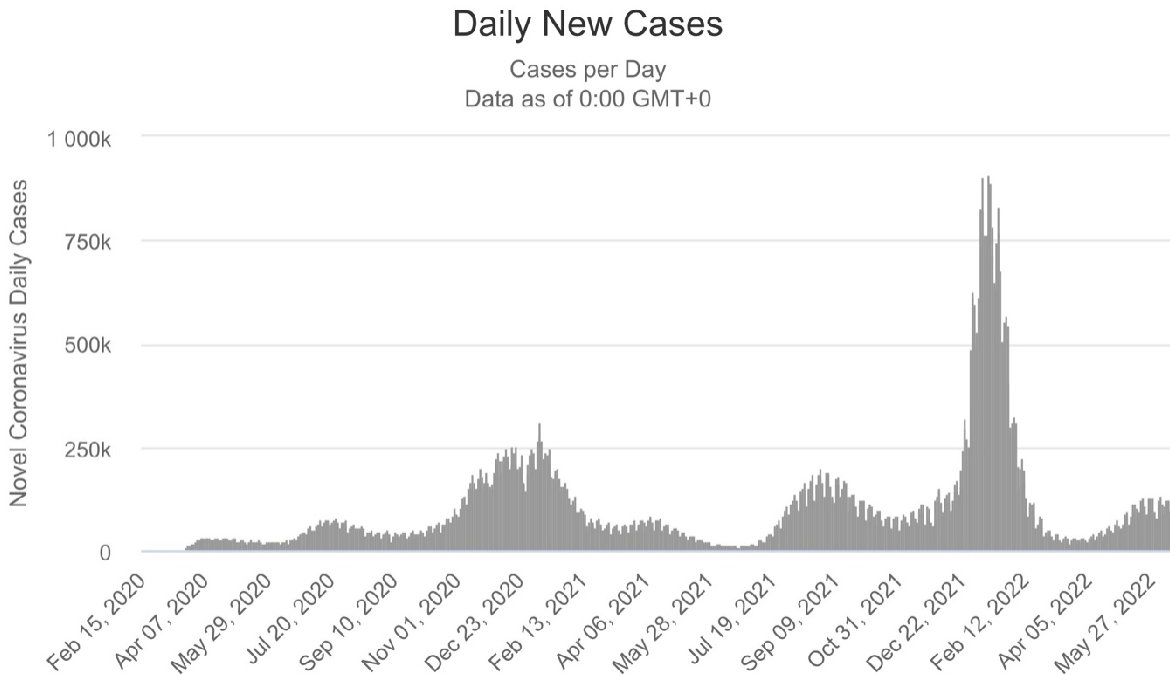
7. This Court is proper venue for this civil action pursuant to 28 U.S.C. Section 1391(b)(2), as the event giving rise to the Plaintiff's claims occurred in Miami-Dade County, Florida.

### **BACKGROUND ALLEGATIONS**

#### **2022: The Frenzy for Rapid Covid Tests**

8. Since January 2019, the entire world had been overcome by the Covid epidemic. Efforts were focused on the development of a vaccine, along with a tremendous push for the expansion of rapid at-home testing to identify the virus.

9. By the beginning of 2022, the covid virus was spreading at unanticipated rates, and the clamor for at-home testing reached a frenzy. Below, is a graph of "Daily New Cases" of Covid; the peak at the beginning of 2022 is apparent.



10. By the beginning of 2022, the Biden administration began distributing at-home rapid Covid tests to Americans for free. The administration began buying on billion tests, with online ordering to begin on January 29, 2022. The premise of the distribution was to expand the at-home testing network. In addition to this new program, there were other options for Americans to obtain rapid testing; testing clinics expanded throughout the nations, including pharmacies participating in the program, and at-home tests were available for purchase at stores and through internet sales. See [www.whitehouse.gov/briefing-room/statements-releases/2022/01/14/fact-sheet-the-biden-administration-to-begin-distributing-at-home-rapid-covid-19-tests-to-americans-for-free/](https://www.whitehouse.gov/briefing-room/statements-releases/2022/01/14/fact-sheet-the-biden-administration-to-begin-distributing-at-home-rapid-covid-19-tests-to-americans-for-free/)

11. Locating and purchasing these tests proved a challenge for the Biden administration. The Administration had promised to mail over 500 million tests to Americans, but there was a major hitch: The administration had yet to secure a single test kit for the program; the announcement had sent officials hunting for stockpiles in warehouse around the country and uncommitted supply from large manufacturers. The Administration made its biggest bet---with a \$1.3 billion contract---on iHealth, a company based in Sunnyvale, California that until late 2021 had never made a rapid test. iHealth soon became a major

supplier not just to the federal government, but also to states and cities, and to retail outlets and through the internet. <https://www.nytimes.com/2022/02/02/us/politics/biden-covid-tests.html>

12. Not only was locating the tests a challenge, but the need to ensure that the tests were being produced by reputable producers and suppliers of vital importance. In early 2022, the FDA announced a recall of two rapid tests due to the potential for false results. <https://www.aha.org/news/headline/2022-02-02-fda-alerts-providers-covid-19-rapid-test-recall> In this environment, Me4Kidz was approached by Zohar, Zohar Med and ICU to purchase nearly \$3 million in iHealth rapid tests.

**The Deceptive Rapid Test Scam by Zohar, Zohar Med and ICU**

13. In late January, Me4Kidz was approached by Zohar, on behalf of Zohar Med and ICU and offered the purchase of 2,016 iHealth master cases at a unit price of \$1,440.00, for a total sale price of \$2,903,040.00. Most importantly, the master cases were to be shipped no later than one day after payment.

14. Not surprising, Me4Kidz was skeptical of Zohar's ability to timely deliver such a large number of the much sought after iHealth kits in one day after payment. However, Zohar represented to Me4Kidz that Zohar Med and ICU were "direct authorized representatives" for iHealth, and had access to the test kits.

15. Based upon this representation, Me4Kidz entered into an agreement to place an order for the kits. An invoice dated February 1, 2022 for the iHealth kit order set forth the agreed upon terms: payment was to be made by February 1, 2022, and shipment was to be made no later than February 2, 2022. The invoice provided that if the shipment did not occur on February 2, 2022, the "Buyer has the right to cancel and get full refund." A copy of the February 1, 2022 Invoice (the "Invoice") is attached as Exhibit A.

16. Throughout the transaction, Zohar acted on an interchangeable basis for both Zohar

Med and ICU. For example, while the Invoice for the test kits was between Me4Kidz and Zohar Med, the email which transmitted the Invoice to Me4Kidz (dated February 1, 2022 at 11:36:50 AM) was from ICU. A copy of the February 1, 2022 email transmitting the Invoice is attached as Exhibit B.

17. Full payment was made to Zohar Med by Me4Kidz on February 1, 2022 in the amount of \$2,903,040.00, as required by the Invoice.

**Delivery of the iHealth Test Kits: Anything but Rapid**

18. Problems developed immediately. The shipment of the test kits did not occur on February 2, 2022, as required by the terms of the Invoice.

19. A full refund of the \$2,903,040.00 payment was demanded by Me4Kidz on February 4, February 5 and February 8, 2022.

20. Me4Kidz notified Zohar, Zohar Med and ICU that the contracts Me4Kidz had to sell the 2,016 iHealth kits had been cancelled.

21. During this period it became apparent to Me4Kidz that it was being fraudulently deceived by Zohar, Zohar Med and ICU. Me4Kidz learned that neither Zohar Med nor ICU were direct authorized representatives of iHealth. In fact, there were two “middlemen” between Zohar Med and iHealth: Focus Industries Med (<https://focusindustriesmed.com>) and Nautica Global Supply (<https://www.nautica-gs.com>).

22. Neither Zohar, Zohar Med nor ICU had access to purchasing the rapid tests from iHealth. Instead, the iHealth rapid tests being sold to Me4Kidz were being purchased by Zohar/Zohar Med/ICU from Nautica Global Supply, who was obtaining the product from Focus Industries Med, an authorized iHealth sales representative.

23. On February 10, 2022, Zohar/Zohar Med/ICU, recognizing their deceptive conduct, attempted to induce Me4Kidz to accept \$200,000 and the iHealth rapid tests as “settlement” to compensate Me4Kidz for the failure to timely deliver the product.

24. Me4Kidz rejected this offer and demanded a full refund of \$2,903,040.00.

25. Zohar/Zohar Med/ICU ignored Me4Kidz demands and sent \$200,000 to Me4Kidz, which Me4Kidz treated as a “partial refund.”

26. On February 17, 2022, without the consent of Me4Kidz, Zohar/Zohar Med/ICU sent the iHealth test kits to Me4Kidz.

27. At the present time, Me4Kidz is reselling the iHealth test kits to mitigate damages from the untimely transaction.

28. Between February 2, 2022 (the promised date of delivery), the market for iHealth kits has “crashed,” as various Covid test kits have flooded the market. Moreover, the test kits delivered to Me4Kidz have an expiration date which is fast approaching; further decreasing the value of the product.

**COUNT I – BREACH OF CONTRACT**  
**(AGAINST ZOHAR MED AND ICU)**

29. Plaintiff realleges and incorporates paragraphs 1-29, of this Complaint as though fully stated herein.

30. Me4Kidz and Zohar Med/ICU entered into a contract on February 1, 2022 whereby Me4Kidz would purchase 2,016 iHealth test kits at a unit price of \$1,440.00, for a total sale price of \$2,903,040.00.

31. The agreed upon terms in the Invoice were as follows: payment was to be made by February 1, 2022, and shipment was to be made no later than February 2, 2022. The invoice provided that if the shipment did not occur on February 2, 2022, the “Buyer has the right to cancel and get full refund.”

32. Full payment was made to Zohar Med by Me4Kidz on February 1, 2022 in the amount of \$2,903,040.00, as required by the Invoice.

33. Delivery of the shipment did not occur on February 2, 2022, causing a breach of the Invoice.

34. As provided by the terms of the Invoice, Me4Kidz cancelled the contract on February 4, 2022, and thereafter.

35. As a direct, proximate and foreseeable result of Zohar Med/ICU's breach of the contract, Me4Kidz has been damaged, in an amount including, but not limited to the sum of \$2,903,040.00 less offsets received, plus interest.

WHEREFORE Plaintiff, ME4KIDZ, LLC, respectfully requests that this Court enter a judgment against Defendants Zohar Med and ICU for damages, interest, and the costs of this action, and for any other relief that may be just or necessary under the circumstances.

**COUNT II – FRAUD**  
**(AGAINST ZOHAR MED, ICU AND ZOHAR)**

36. Plaintiff realleges and incorporates paragraphs 1-29, of this Complaint as though fully stated herein.

37. Zohar, Zohar Med and ICU conspired to cause Me4Kidz to enter into the Invoice

38. Zohar, Zohar Med and ICU falsely represented to Me4Kidz that they were direct authorized representatives of iHealth in an effort to induce Me4Kidz into entering into the Invoice.

39. Zohar, Zohar Med and ICU knew that this statement was untrue, and that they would need to purchase the iHealth kits through “middlemen” (Focus Industries Med (<https://focusindustriesmed.com>) and Nautica Global Supply (<https://www.nautica-gs.com>)).

40. Zohar, Zohar Med and ICU falsely represented, in the Invoice, that shipment would occur by February 2, 2022.

41. Zohar, Zohar Med and ICU knew that shipment of the iHealth kits could not be made by February 2, 2002, because Zohar Med and ICU needed to purchase the iHealth kits through two



“middlemen” (Focus Industries Med (<https://focusindustriesmed.com>) and Nautica Global Supply (<https://www.nautica-gs.com>), making a one-day delivery impossible.

42. Zohar, Zohar Med and ICU knew that the false statements set forth above would be relied upon by Me4Kidz to transfer \$2,903,040.00 to Zohar Med and ICU.

43. Me4Kidz justifiably relied upon such false statements and transferred \$2,903,040.00 to Zohar Med and ICU.

44. Me4Kidz suffered damage as a result of reliance on the fraudulent representations of Zohar, Zohar Med and ICU and has been damaged in the amount of \$2, 903,040.00, less offsets and has suffered damage to its business reputation as a result of being unable to timely fulfill commitments to its customers for the iHealth kits.

WHEREFORE Plaintiff, ME4KIDZ, LLC, respectfully requests that this Court enter a judgment against Defendants Zohar Med and ICU for damages, interest, and the costs of this action, and for any other relief that may be just or necessary under the circumstances.

**COUNT III-FRAUD IN THE INDUCEMENT TO ENTER THE  
CONTRACT (AGAINST ZOHAR)**

45. Plaintiff realleges and incorporates paragraphs 1-29 of this Complaint, as though full stated herein.

46. Zohar falsely represented to Me4Kidz that Zohar Med and ICU were direct authorized representatives of iHealth in an effort to induce Me4Kidz into entering into the Invoice.

47. Zohar knew that this statement was untrue, and that Zohar Med and ICU would need to purchase the iHealth kits through “middlemen” (Focus Industries Med (<https://focusindustriesmed.com>) and Nautica Global Supply (<https://www.nautica-gs.com>)).

48. Zohar falsely represented, in the Invoice, that shipment would occur by February 2, 2022 in order to induce Me4Kidz to enter into the Invoice.

49. Zohar knew that shipment of the iHealth kits could not be made by February 2, 2002, because Zohar Med and ICU needed to purchase the iHealth kits through two “middlemen” (Focus Industries Med (<https://focusindustriesmed.com>) and Nautica Global Supply (<https://www.nautica-gs.com>), making a one day delivery impossible.

50. Zohar, Zohar Med and ICU knew that the false statements set forth above would be relied upon by Me4Kidz to enter into the Invoice and transfer \$2,903,040.00 to Zohar Med and ICU.

51. Me4Kidz justifiably relied upon such false statements and transferred \$2,903,040.00 to Zohar Med and ICU.

52. Had Me4Kidz been aware that the representations by Zohar, set forth above, were false, Me4Kidz would not have entered into the Invoice.

53. Me4Kidz suffered damage as a result of reliance on the fraudulent representations of Zohar in entering into the Invoice and has been damaged in the amount of \$2,903,040.00, less offsets and has suffered damage to its business reputation as a result of being unable to timely fulfill commitments to its customers for the iHealth kits.

WHEREFORE Plaintiff, ME4KIDZ, LLC, respectfully requests that this Court enter a judgment against Defendants Zohar Med and ICU for damages, interest, and the costs of this action, and for any other relief that may be just or necessary under the circumstances.

DATED this 22<sup>nd</sup> day of June, 2022.

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